

China's Leadership Opportunity in Afghanistan

Raffaello Pantucci

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Summary

As NATO prepares to pull out of Afghanistan in 2014, China has an opportunity to assert some leadership in helping steer Afghanistan in a more positive direction.

The 2014 deadline for the withdrawal of troops from Afghanistan is fast approaching. China has just over a year before Afghanistan fades from the West's radar and Western attention toward the country shrinks substantially. However, it is not clear that Beijing has properly considered what it is going to do once NATO forces leave and pass the responsibility for Afghan stability and security to local forces.

And more crucially, it is not clear that China has thought about what it can do with the significant economic leverage it wields in the region. Afghanistan offers China the opportunity to show the world it is a responsible global leader that is not wholly reliant on others to assure its regional interests.

Traditionally, Chinese thinkers have considered Afghanistan the "graveyard of empires." They chuckle at the ill-advised American-led NATO effort and point to British and Soviet experiences fighting wars in Afghanistan.

But in reality, the presence of NATO forces provided China with a sense of stability. Beijing correctly assumed that NATO's presence in Afghanistan would mean regional terrorist networks would remain focused on attacking Alliance forces rather than stirring up trouble in neighboring countries like China. NATO's targeting of Islamist groups also had the effect of striking anti-Chinese Uighur groups that had sought refuge in Afghanistan under the protection of the Taliban or al-Qaeda. These Uighur groups would otherwise have focused their attention on targeting China.

Yet as the date of American withdrawal from Afghanistan approaches, this security dynamic is changing. While China does worry about the threat of Islamist Uighur groups striking from their Afghan bases, this concern is relatively marginal. The bigger problem is the potentially negative repercussions for the rising number of investments from China's private sector in Afghanistan and its surrounding region. These

investments are part of a broader push into Central Asia that flows from an effort to develop China's historically underdeveloped province of Xinjiang, which borders Afghanistan.

The prospect of an Afghanistan returning to chaos is, therefore, not appealing to policymakers and businesspeople in Beijing. This scenario would bring instability directly to China's doorstep, and this instability could potentially expand northward into Central Asia or southward into Pakistan. China would suffer from further chaos in either direction.

The solution to this problem is complex. China is not necessarily expected to invest heavily in security efforts and rebuilding Afghanistan's security apparatus, though some more substantial contribution in this direction than the offer to train a nominal 300 policemen that China made last year in Kabul would be helpful. Rather, China could focus on what it is able to do best: invest in Afghanistan and develop its abundant natural resources.

Chinese state-owned firms have already invested in oil fields in Amu Darya in northern Afghanistan and a copper mine in Mes Aynak, southeast of Kabul. These investments have had mixed success.

Amu Darya has produced for the China National Petroleum Company (CNPC), though its current status is unknown. Problems and uncertainty with China's investments in Central Asia are reflected in the difficulties of two other Chinese companies—the Metallurgical Corporation of China (MCC) and Jiangxi Copper—in the south.

In part this is because companies operating in the south face understandable security concerns that range from locals angry because they feel they were not justly compensated for their land that was affected by the mine to Taliban-affiliated groups eager to punish the central government by undermining efforts to develop the country.

But these companies also often find they lack a full understanding of the environment in which they are trying to invest. Orchestrators of projects that begin with the best of intentions and large investments, like the Mes Aynak mine, find themselves burdened with a local government response that is confused. Confusion turns to anger when these projects fail to deliver elements that were supposedly included in the original contract. For example, the local Afghan government initially believed that MCC and Jiangxi Copper would build a train line in the south. But the companies claim the contract only stipulated it would conduct a feasibility study. They also claim that the security situation has driven Chinese workers to refuse to work on the site, though reports about whether these stoppages are actually occurring are unclear.

The difficulty of this deal contrasts with the rapidity with which Chinese energy giant CNPC was able to bring online the oil field in Amu Darya. Political complications with the local Afghan strongman Rashid Dostum have held up work, and it is not clear that they have been completely resolved. The field has produced some oil that was transported across the border by truck into Turkmenistan, where it is refined at a separate CNPC site. The company has also said that it is going to develop a refinery in Afghanistan to help facilitate Afghan energy independence.

These two projects show the potential benefits and downsides to investing in Afghanistan. Large mining projects like these have the potential to help rebuild parts of Afghanistan and transform the economy from one that is reliant on the drug trade and foreign aid to self-reliance.

Even if they were all successful, Chinese investments alone would not transform Afghanistan into a stable and prosperous state. China also needs to leverage its power within the region and persuade other countries to engage in Afghanistan in order to complete this transformation. The Shanghai Cooperation Organization (SCO), a regional entity led by China, has done very little in Afghanistan due to a lack of agreement among members about what exactly actions to take. China believes the SCO should do more,

but other member countries believe a bilateral approach is better than a multilateral one and that focusing on building individual relationships in Afghanistan will help strengthen their particular interests. This is unfortunate as the SCO could be a useful vehicle through which China and other regional actors could undertake efforts to counter the narcotics trade in the region and strengthen border controls.

China has growing influence in the Asian Development Bank, which has already invested heavily in Afghanistan. China could continue its support for these projects to help connect Afghanistan to the broader region and reintegrate the nation into the global community, thus fostering stability. This approach complements China's broader regional strategy to develop Xinjiang into the "gateway for Eurasia" as Premier Wen Jiabao put it during the China-Eurasia Expo in September last year.

And at the social level, China needs to foster person-to-person contact with Afghanistan. Last year during a visit to Kabul, the most striking characteristic of Kabul University's Confucius Institute—one of the Beijing-backed centers that promote Chinese language and culture across the world—was the absence of Chinese teachers and Afghan students. This stood in contrast to other Confucius Institutes in Central Asia with dozens of students crowding around excited teachers. The security situation undoubtedly complicates things in Kabul, but there are safer parts of the country in which to operate. To further encourage societal ties, Beijing could try to entice more Afghans to study and work in China through scholarships and study grants.

China has an opportunity in the next year to assert some leadership in helping steer Afghanistan in a more positive direction. A stable Afghanistan is in China's national interest, and taking the lead on this regional issue of international importance could help bolster Beijing's global position. The West may have made mistakes in Afghanistan's past, and making up for them will undoubtedly take time. But the Afghanistan problem is one that remains on China's borders and has the potential to result in even more regional instability. Investing in Afghanistan now will save years of trouble later.

Raffaello Pantucci is a senior research fellow at the Royal United Services Institute and the co-editor of <http://www.chinaincentralasia.com>.

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